DOCUMENT RESUME

ED 275 781 UD 025 198

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TITLE	Hispanic Youth: Obstacles to Labor Market Success. An Overview of the Job Training Partnership Act and Its Effects on Hispanic Youth. Perspectivas Publicas Issue Brief.
INSTITUTION	National Council of La Raza, Washington, D.C.
PUB DATE	May 86
NOTE	12p.
AVAILABLE FROM	National Council of La Raza, 20 F Street, N.W., 2nd Floor, Washington, DC 20001 ($2.00).
PUB TYPE	Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Disadvantaged Youth; *Dropout Programs; Economically Disadvantaged; Employment Programs; Federal Programs; *Hispanic Americans; *Job Training; On the Job Training; Secondary Education; *Work Experience Programs; *Young Adults; Youth Employment
IDENTIFIERS	*Job Training Partnership Act 1982

ABSTRACT

Several independent analyses of the Job Training Partnership Act (JTPA) indicate that it has achieved mixed results and has failed to effectively serve disadvantaged youth and school dropouts. It can only offer short-term, low-cost programs, and has difficulty in attracting youths. The number of dropouts being served is declining. The legislation's effectiveness is also undermined by its limited supportive services and the elimination of training stipends. Work experience programs, combined with remedial education and job placement, have had a positive long-term impact on disadvantaged youth, but further budget cuts will cripple those JTPA services. Minority workers in the 16-24 age group will account for an increasingly larger segment of the future labor force. Hispanics, the nation's youngest major subpopulation, not only have a higher fertility rate than Whites or Blacks, but they also have the highest secondary school dropout rate in the country. This means they will suffer a disproportionate impact if adequate employment and training services are not available to them. Already the increase in numbers of employed Hispanics has become less rapid than the pace of their population growth. To cope with these problems, the JTPA must be capable of training the present and future labor supply and stimulating labor market demand. (PS)

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NATIONAL COUNCIL OF
LA RAZA
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ADVOCACY AND LEGISLATION

Perspectivas
Públicas
ISSUE BRIEF

May 1986

Title: HISPANIC YOUTH: OBSTACLES TO LABOR MARKET SUCCESS

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ED275781

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HISPANIC YOUTH: OBSTACLES TO LABOR MARKET SUCCESS

An Overview of the Job Training Partnership Act and Its Effects on Hispanic Youth

I. INTRODUCTION

Minority youth bear a disproportionate burden of the nation's youth unemployment. In 1985, the total annual unemployment rate for youth was 18.6%. Stark differences, however, appear along racial and ethnic lines. In 1985, Black youth recorded the highest unemployment rate of 40.2%, followed by Hispanic youth at 24.3%, and White youth at 15.7% The severity of minority youth unemployment does not bode well for the future. Demographics will favor higher productivity and lower unemployment over the next 12 years as prime-age workers make up a larger and larger share of the labor force. The decline in young workers, who have high unemployment rates, will decrease the nation's overall unemployment rate. But the growing proportion of minority youth, whose unemployment problems have been especially intractable, suggests that hard-core unemployment will endure into the future.

II. DEMOGRAPHICS

A. Youth

Hispanic Americans are the nation's youngest major subpopulation. In 1985, Hispanics accounted for 7.2% of the total U.S. population. Approximately 7.4 million Hispanics 16 years old and over were in the nation's civilian labor force in 1985. Estimates show that in 1990 Hispanics will account for 8-9% of the labor force. The March 1985 Current Population Survey reports the median age of Hispanics at 25.0 years, compared to 31.4 years for the total population. The youthfulness of the Hispanic community is further illustrated by the following chart:

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YOUTH POPULATION:
ALL PERSONS AND PERSONS OF
HISPANIC ORIGIN BY AGE
(March 1982, Current Population Reports)

BOTH SEXES	TOTAL POPULATION	HISPANIC POPULATION
Total (in thousands)..	227,375	14,043
Percent.....	100.0	100.0
Under 5 years.....	7.6	11.1
5 and 6 years.....	2.8	4.5
7 to 9 years.....	4.2	6.4
10 to 13 years.....	6.4	8.4
14 and 15 years.....	3.2	3.7
16 and 17 years.....	3.4	4.3
18 and 19 years.....	3.6	4.3
20 and 21 years.....	3.7	4.0

The chart shows that 46.7% of the Hispanic population is 21 years old or younger, compared to 34.9% of the total population. This age distribution pattern is striking because it forecasts large cohorts of Hispanic youth for years to come. These Hispanic children, along with other minority children, will form a growing proportion of the future labor force.

B. Fertility Rates

The prospect of large numbers of Hispanic youth requires effective public policies in the areas of education and employment and training. Hispanic youth must be adequately trained because Hispanics will account for a sizeable percentage of the future labor force. The majority of this population growth is predicted to occur not through immigration, but due to a high Hispanic fertility rate.

The Hispanic fertility rate, though declining, is still higher than that of Whites or Blacks. In 1984, the overall U.S. fertility rate was an estimated 65.8 births per 1,000 women 18 to 44 years old. The following chart breaks down the fertility rate by ethnic and racial category. The chart shows that White women continue to have the lowest fertility rate, and Hispanic women the highest.

FERTILITY RATES: WOMEN 18-44 YEARS OLD
(Births per 1,000 women)

	1980	1984
Overall	71.7	65.8
White Women	68.5	64.6
Black Women	84.0	72.2
Hispanic Women	106.5	86.1

Approximately 9% of all births in June 1984 were to Hispanic women. The high Hispanic fertility rate, though decreasing, is still well above "replacement" levels, guaranteeing larger cohorts of children for years to come. The high fertility rates of the Hispanic community stem partly from the higher proportion of Hispanic women of child-bearing age. In 1983, 46.7% of Hispanic women were between the ages of 20-34 as compared to 36.5% of all U.S. women.

III. LABOR MARKET STATUS OF HISPANIC YOUTH

A. Education

A direct correlation exists between education and labor market success. Education -- or the lack of it -- affects an individual's labor market status. Thus, any analysis of the labor market status of a particular group typically begins with the group's educational attainment rates.

The most pressing problem affecting Hispanic youth today is the dropout rate. Hispanics have the highest secondary school dropout rates in the country. In 1983, only 50.3% of Hispanic 18-19 year olds had graduated from high school, compared to 75.6% of Whites and 59.1% of Blacks. In March 1985, the proportion of high school graduates among Hispanics 25 and over was only 48%, far below the 76% for non-Hispanic persons.

For certain groups of Hispanics, such as women, dropout rates are even higher. Hispanic females are more likely to drop out of school than are Hispanic males, and are more likely than other groups of women to be high school dropouts. Census data from 1980 showed that by age 17, 20.9% of Hispanic females had left high school without a diploma. In 1979, of Hispanic women aged 16-24, 34.2% were high school dropouts, compared to 31.5% of Hispanic males, 12.8% of White females, and 20.0% of Black females.

Hispanics also appear to drop out of school earlier than do other groups of students. Census data from 1979 showed that 9% of Hispanics 14-17 years old had left school without graduating, as compared to 5.3% of White youth and 5.2% of Black youth. Thus, Hispanic dropouts typically have lower educational attainment than other dropouts; the rate of functional illiteracy among Hispanic adults 25 and over has been estimated at 56%.

B. Labor Force Participation Rates and Employment-Population Ratios

The labor force participation rate measures the percent of those persons age 16 and over who are either employed or actively seeking employment. The 1985 overall labor force participation rate for youth 16 to 19 of both sexes was 54.5%. Differences exist, however, among the major population groups. In 1985, White youth registered the highest labor force participation rate of 57.5%, compared to 44.5% for Hispanic youth and 41.2% for Black youth.

An accurate measure of the employment status of individuals is the employment-population ratio. Unlike the labor force participation rate, this variable measures only the percentage of the population that is actually employed, and over time shows the stability of this employment. The employment-population ratio is vulnerable to changes in levels of employment and population growth. Employment levels must keep pace with a large and growing population base so that the employment-population ratio remains stable.

This ratio is key in measuring the employment levels of the growing Hispanic population. When the increases in numbers of employed Hispanics is less rapid than the pace of their population growth, then their employment-population ratio declines. The following chart reveals the employment-population ratios for youth for major groups in the country.

EMPLOYMENT-POPULATION RATIOS
(16 to 19 years, both sexes)
Annual Averages
(Percent)

YEAR	WHITE	BLACK	HISPANIC
1980	50.7%	23.9%	39.0%
1981	48.7	22.1	35.2
1982	45.8	19.0	31.4
1983	45.9	18.7	32.5
1984	48.0	21.9	36.0
1985	48.5	24.6	33.7

A decline in employment levels was experienced by all groups during 1982-1983 due to the 1982 recession. Between 1980 and 1985, the employment-population ratio for White youth declined by two percentage points. Despite this decline, close to one-half of White youth 16 to 19 years old were employed. On the other hand, the employment levels of Black and Hispanic youth are extremely low, giving credence to the assertion that the burden of youth unemployment is disproportionately borne by minority youth.

Between 1980 and 1985, the employment-population ratio for Black youth fluctuated. In 1985, however, the employment-population ratio was a bit higher than the ratio in 1980. Still, only one-quarter of Black youth 16 to 19 years old were employed in 1985.

The employment-population ratio of Hispanic youth reveals interesting patterns. Between 1980 and 1985, the employment-population ratio for White youth remained relatively stable and the employment-population ratio for Black youth slightly increased. During this same time frame, however, the employment-population ratio for Hispanic youth declined by six percentage points. In 1985, only one-third of Hispanic youth 16 to 19 years old were employed.

Between 1984 and 1985, an unusual fluctuation occurred in the Hispanic youth employment-population ratio. During this time period, the employment-population ratio of White youth remained stable at 48.0%, and the employment-population ratio of Black youth increased by nearly three percentage points, to 24.6%. The employment-population ratio for Hispanic youth, however, decreased by nearly three percentage points, down from 36.0% to 33.7%. The decline could be explained by the fact that the Hispanic youth population is growing rapidly, but the labor market cannot provide jobs at a fast enough pace.

C. Unemployment

When labor market demand is not sufficient to meet the needs of the labor market supply, unemployment results. Since minority youth unemployment is a national problem, effective government strategies must be pursued to stimulate labor market demand and to train the labor market supply. Youth unemployment rates are listed in the following chart. These figures do not include those teenagers who have become "discouraged" — individuals who believe, for various reasons, that they cannot get a job. If these "discouraged" teens were included, then the youth unemployment rate would rise dramatically.

YOUTH UNEMPLOYMENT RATES
(16 to 19 years, both sexes)
Annual Averages
(Percent)

YEAR	WHITE	BLACK	HISPANIC
1978	13.9%	38.7%	20.7%
1979	14.0	36.5	19.2
1980	15.5	38.5	22.5
1981	17.3	41.4	24.0
1982	20.4	48.0	29.9
1983	19.3	48.5	28.4
1984	16.0	42.7	24.2
1985	15.7	40.2	24.3

D. Conclusion

When educational attainment, labor force participation rates and employment-population ratios are low, high unemployment rates result. Education is inextricably linked to labor market success. Improved education not only raises wage rates, it also lowers the probability and duration of unemployment spells, which ultimately translate to lower earnings. Hispanic youth are part of a segment of the population characterized by explosive demographics and poor performance in certain labor market indicators because of inadequate education, poverty, and other factors.

The untapped labor market potential of Hispanic youth should be a primary concern of federal employment and training policy. The cycle from unemployed youth to structurally unemployed adult is an expensive one, draining the public treasury because of increased expenditures in public assistance programs. This cycle, moreover, is likely to be the path followed by minority youth who lack the skills necessary to compete in the labor market. This cycle, therefore, must be prevented by a strong and concerted government effort. The nation cannot afford the economic, social and political costs associated with a sizeable, untrained segment of the labor force.

IV. THE JOB TRAINING PARTNERSHIP ACT

A. Services to Youth

The Job Training Partnership Act (JTPA) is the nation's primary federal employment and training legislation. JTPA replaced the Comprehensive Employment and Training Act (CETA) in October 1983. JTPA's focus is a complete reversal of past federal employment and training policies. Whereas CETA was highly centralized due to a strong federal presence, JTPA reflects the "New Federalism" philosophy -- decentralized mechanisms complemented by minimal federal oversight. JTPA is highly praised by its supporters as an example of a major policy initiative which unites the public and private sectors in the delivery of employment and training services. It had been anticipated that this partnership would be successful in training individuals and reducing unemployment. Independent analyses of JTPA, however, indicate that JTPA has achieved mixed results and has failed to effectively serve disadvantaged youth and school dropouts. (See, NCLR Issue Brief, The First Nine Months of JTPA: An Hispanic Analysis of the Grinker-Walker Report: Round II, May 1985.)

JTPA defines the term "youth" to mean an individual aged 16 through 21. JTPA has specifically targeted youth as beneficiaries of employment and training services in many sections of the legislation. The applicable provisions read as follows:

- Section 2: Identifies the beneficiaries and intent of the act by stating that "It is the purpose of JTPA to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment."

- Section 203: Identifies three target groups, including youth, by stating that "service delivery areas shall spend not less than 40% of their funds to provide services to eligible youth." This section also targets school dropouts, who shall be served equitably, taking into account their relative incidence in the JTPA-eligible population. JTPA does not distinguish between young and older dropouts. It merely defines a dropout as an "individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma...."

- Section 205: Identifies exemplary youth programs which may be included in local job training plans. Exemplary youth programs include "world of work" programs, pre-employment skills training, entry employment experience, and school-to-work transition programs.

- Title II-B: Authorizes funds for the Summer Youth Employment and Training programs. These funds may be used for basic and remedial skills training, on-the-job training, work experience programs, outreach and other activities.

Youth were specifically identified by drafters of the JTPA legislation as a vulnerable group which required specific service mandates. Congressional intent was to ensure that adequate resources were spent on youth. Thus, the youth requirement was stated in terms of expenditure levels rather than participant levels. Drafters of the JTPA legislation were concerned about the possibility of inexpensive and short-term services being used as a means for building up an impressive number of youthful participants without achieving lasting results; requiring a set level of service delivery area (SDA) expenditures on youth was seen as an effective way to prevent that.

Independent analyses of JTPA indicate that JTPA implementation has not implemented JTPA intent. The "Grinker-Walker Report: Round II", published in January 1985, highlights two JTPA implementation problems regarding youth: (1) SDA difficulty in attracting youth; and (2) short-term, low-cost programs for youth. The report states that:

> ...only eight of the 25 field sites surveyed expended 90% or more of the JTPA funds allocated for youth. The other 17 sites fell short, many significantly. Fully half of the field sites expended less than 60% of their youth allocation (p. 60).
>
> ...the average duration of a youth's participation in JTPA at the field sample SDAs was 12.2 weeks -- almost ten weeks shorter than had been planned (p. 61).
>
> ...the average cost per positive youth termination was $3,105, well below the federally established standard of $4,900 (p. 61).

The Grinker-Walker Report also points out that services to youth have been predominantly targeted to in-school youth or high school graduates. The report shows that:

> ...the field study SDAs, on average, had in-school programs which constituted 31% of their total youth enrollment. The youth population, besides its 31% in-school group, was composed 43% of youth with high school degrees or higher education, and 26% of youth who had dropped out of school (p. 62).

B. Services to Dropouts

It is not suggested that in-school youth should not be served; however, out-of-school youth should be just as actively recruited for participation in training programs. JTPA requires that school dropouts be served in proportion to their incidence in the eligible population. This requirement has no age limitation: thus both older and younger dropouts are served concurrently, despite their needs for different training strategies.

The Grinker-Walker Report found that programmatic efforts and contracting strategies at most of the SDAs in the study reflected a general lack of emphasis on incorporating dropouts into JTPA programs. The report states that:

> ...Forty-six of the 57 total sample SDAs had no separate training programs for non-high school completers and provided only minor allocations

> for remedial education. Eighteen of the 25 field study SDAs did not set specific goals for enrolling dropouts in their contracts with service providers (p. 65).

It is unclear how SDAs intend to serve dropouts "equitably." The Grinker-Walker analysts cited SDA administrators' concerns about this shortfall; however, there were few indications of intent to alter training programs, contractors, or other major program components to rectify the situation. The Grinker-Walker report concludes that as of June 30, 1984:

> ...for the most part SDAs had not yet begun to devise specific strategies for increasing the enrollment of dropouts (p. 66).

The relevant JTPA sections on dropouts are ambiguously written. This ambiguity was further reinforced by implementing regulations which remained silent on the issue of targeting specific groups of the eligible population. It should be no surprise, therefore, that the numbers of dropouts being served is declining. A recent General Accounting Office (GAO) study states that

> ...the dominant trend observed in 118 SDAs was a percentage decrease in the number of dropouts served. Overall, the proportion of school dropouts being served decreased from 29% during CETA Fiscal Year 1982 to 23% during JTPA Transition Year 1984. (See, GAO Report, The Job Training Partnership Act: An Analysis of Support Cost Limitations and Participant Characteristics, November 6, 1985, GAO/HRD-86-16).

C. Prohibition of Training Stipends and Limited Supportive Services

An analysis of the JTPA legislation reveals dichotomous philosophies. On the one hand, there is the intent of JTPA to serve the economically disadvantaged On the other hand, this intent is completely undermined by the elimination of training stipends and limited supportive services. These supportive services are viewed as access mechanisms for the economically disadvantaged because they are the most likely to require services such as child care and transportation in order to attend training sessions. Since these provisions have been eliminated or financially restricted, it is now more difficult to serve the intended beneficiaries of JTPA.

JTPA's restrictions on training stipends and limited supportive services have hampered efforts to serve the most disadvantaged youth. The result of this is "creaming" — selecting the least-disadvantaged individuals because they require less training, minimal supportive services, and are easiest to place in unsubsidized employment. JTPA, as a performance-driven system, encourages "creaming." The Grinker-Walker Report stated that:

> ...Most SDAs did not pay any substantial attention to the act's broad mandate to serve those most in need of and able to benefit from its services. They felt that mandate was undercut by the act's restrictions on support services, stipends, and work experience; its strong focus on performance standards and its major role for the private sector (p. 54).

The JTPA legislation requires SDAs to spend 70% of their funds on training activities, 15% on supportive services, and 15% on administrative costs. The Grinker-Walker Report found, however, that these percentage limitations have been implemented in a contrary manner. On average, the sample SDAs spent 76% of their funds on training, 8% on supportive services, and 16% on administrative costs (p.18).

D. Budget Cuts in JTPA Programs

The Administration has sought cuts in federal outlays for youth work experience programs as part of its deficit reduction proposals for Fiscal Year 1987, including deep cuts in Title II-B of JTPA (the summer youth employment program) and the Job Corps. Although the overall budget for employment and training programs appears to have suffered little in light of the recent call for severe fiscal restraint, Title II-B and Job Corps will experience major funding cutbacks if this budget is adopted. These are the only programs which provide federally-funded jobs to disadvantaged youth. In light of the overwhelmingly youthful Hispanic population, and its relatively low levels of education and high levels of unemployment, the Hispanic community would be particularly hard-hit by these cuts.

1. Title II-B: The Summer Youth Employment Program

Proposed cuts in the Summer Youth Employment Program (SYEP) would reduce funding by nearly 50% from 1985 program levels. According to the Department of Labor, the proposed funding cuts "will enable the Secretary to more efficiently address imbalances between available resources and areas most in need of these resources." Opponents of the funding reductions argue, however, that the deficiencies lie in a JTPA formula that underfunds inner cities and that these cuts do nothing to correct that formula. The SYEP would serve 414,000 youth in Fiscal Year 1987, as compared to 785,000 participants in Fiscal Year 1985, a reduction of 47%.

There has been a philosophical departure in JTPA from direct job creation strategies. Federally-funded jobs for both the cyclically and structurally unemployed formed the cornerstone of CETA, but have been totally eliminated under JTPA. During Fiscal Year 1979, over 40% of Black youth age 14-19 and almost 25% of all Hispanic youth found their work opportunities in a CETA program. Not surprisingly, then, the 60% reduction in subsidized youth employment which occurred between 1979 and 1982 had a dramatically adverse effect on employment prospects for disadvantaged youth. Detailed analyses of changes in job program enrollments and overall employment declines for youth during the 1979-82 period indicate that cutbacks in federally-funded jobs accounted for one-seventh of all job losses for all 14-to-19-year-olds and over one-half of the job losses experienced by nonwhite youth. (See, Johnson, C., Direct Federal Job Creation, Report of the House Committee on Education and Labor, Serial No. 99-E, 1985.)

Data indicate that summer jobs have a long-term impact, which makes cutbacks a special concern. The federally-funded jobs programs for youth, characteristic of the 1970s, have been nearly obliterated in the 1980s. The only federal job creation programs for youth, though minimal in scope, are provided by SYEP, which is targeted for a near 50% reduction. Research on summer job creation initiatives reveals that summer youth employment programs increase the likelihood that teenagers will return to school in the fall, with dropout rates

for participants one-third below those found in control groups. (See, A.L. Nellum, Inc., Evaluation of the 1979 Summer Youth Employment Program, Department of Labor, Employment and Training Administration, Dec. 1980.) The victims of a decreasing financial commitment to youth employment activities are minority youth, especially the youthful and rapidly-growing Hispanic population, which cannot be accommodated in the labor market at a fast enough pace to match its population growth.

2. Job Corps

Another component of JTPA which provides employment and training opportunities for disadvantaged youth is the Job Corps (Title IV-B). Though listed as part of JTPA, the Job Corps is a separate national program with its own standards and procedures for selecting enrollees. The Job Corps establishes residential and nonresidential centers in which enrollees participate in intensive programs of education, vocational training, work experience, counseling, and other activities. The Job Corps is a popular program, enjoying strong bipartisan support in Congress.

Although the Department of Labor has acknowledged the success of the Job Corps in serving some of the most disadvantaged youth, the Administration has proposed severe funding cuts for this program. The proposed Fiscal Year 1987 cuts for the Job Corps would reduce funding by 43% from 1985 program levels. Consequently, the Job Corps would serve nearly 50% fewer disadvantaged youth in Fiscal Year 1987 under the proposed budget.

The Job Corps, with its successful track record in both short-term and long-term gains, documents the positive outcomes which stem from a continuous federal effort in addressing the educational and work experience deficiencies of disadvantaged youth. A 1985 study conducted by Dr. Bruce Baird of the University of Utah showed that the Job Corps returns $1.38 to the Treasury in only three years for each $1.00 invested by the federal goverment. The returns come from continuing taxes paid by the Corpsmembers once they begin employment, and from reduced welfare payments. At a time when minority youth unemployment is at record numbers, employment specialists argue that Job Corps, one of the few successful programs targeted to disadvantaged youth, should be continued and strengthened, not cut.

V. CONCLUSION

Demographics are causing a profound change in the composition of the labor force. The "baby bust" shrinkage of the labor force is most marked among Americans 16 to 24 years old, many of whom are entering the labor market for the first time. The Bureau of Labor Statistics projects that from 1984 to 1990, the number of workers in the 16-to-24 age bracket will decrease by 2.7 million, to 21.3 million; from 1990 to 1995, that group is expected to drop by an additional 1.1 million. The demographic decline in young workers, however, is not projected for minority communities. The high fertility rates among minorities, especially Hispanics, will guarantee a large cohort of individuals in the 16-to-24 age bracket. The growing proportion of minorities in that age group indicates that minority workers will account for an increasingly large segment of the future labor force.

The growing demands of disadvantaged youth for the limited resources available will severely test the capability of the Job Training Partnership Act and its decentralized system. As the youngest population group with the highest

dropout rates in the country, Hispanics have a special need for youth employment programs. Most importantly, Hispanics will suffer a disproportionate impact if they are not adequately targeted as recipients of employment and training services. A special concern with the JTPA legislation and its implementation is that even where youth programs are available, a lack of training stipends, supportive services, and adequate educational and skill training components may minimize opportunities for disadvantaged youth to participate. Without these access mechanisms, JTPA's legislative intent and specific youth targeting provisions amount to no more than symbolic and unenforceable efforts.

Untrained youth are likely to follow the cycle of underemployment, structural unemployment, and increased use of welfare services. Economists have observed that victims of chronically high unemployment rates do not get the job experience and good work habits that job holders have, making it still more difficult for them to find employment. This problem is particularly acute with young people, who generally have higher than normal unemployment rates. The lack of work experience reduces productivity and the ability to generate high employment in the future. Therefore, the rate of structural unemployment will rise over time, regardless of economic conditions.

Preventive measures which must be implemented include the training of the present and future labor supply and the stimulation of labor market demand. Employment specialists contend that public employment programs providing part-time or summer jobs, often in cooperation with the nongovernmental sectors, have been successful in accelerating the entry of poor and minority youth into the labor market. Work experience programs, combined with remedial education and job placement, have had a positive long-term impact on disadvantaged youth.

The Youth Incentive Entitlement Pilot Projects (1978-80) are an example of a successful youth work experience program which prescribed school attendance and academic performance standards. The Youth Incentive Entitlement Pilot Projects provided a summer, full-time private-sector job to disadvantaged youth upon their promise to stay in school during the academic year. Participants were also provided a part-time job during the school year. Evaluations of this project reveal the strong motivational force of subsidized employment opportunities, triggering a 50% increase in labor force participation rates among Black youth and inducing nearly three in four eligible Black teenagers to accept and hold jobs for a year or more. (See, Judith M. Gueron, "Lessons from a Job Guarantee: The Youth Incentive Entitlement Pilot Projects," New York: Manpower Demonstration Research Corporation, June 1984.) This program was possible only because of the financial commitment of the federal government, and provides a model which should be replicated.

Federal job training funds have been slashed by 58% during the Reagan Administration's tenure. These cuts represent a reduction in human capital investment which will have costly long-term impact on federal revenues and entitlement expenditures for years to come. This disinvestment must be reversed to prevent high unemployment and an inadequately trained workforce in future years. A well-trained future labor force, comprised increasingly of Hispanics, Blacks, and women, will result in dual societal benefits -- increased revenues for programs such as Social Security and other domestic programs and decreased expenditures for public assistance programs. The debate over the employment and training system and its intended beneficiaries is no longer limited to the issue of equality of access. Demographic realities and economic consequences should now be a strong inducement toward achieving an effective federal employment and training policy responsive to the needs of disadvantaged youth and minorities.